

DRAFT



**SCOTTSDALE HOUSING BOARD
One Civic Center 3rd Floor Conference Room
7447 E. Indian School Road, Scottsdale AZ
March 8, 2005
MINUTES**

PRESENT: Del Monte Edwards, Chair
Joseph Priniski, Vice Chair
George Leonard
Gary Morgan
Robert Southworth
George Sutherland
Barbara Williams

STAFF: Molly Edwards, Housing Resources Manager/Staff Liaison
Judy Register, CNR General Manager

CALL TO ORDER

Chair Edwards called the regular meeting of the Scottsdale Housing Board to order at 5:00 p.m.

APPROVAL OF MINUTES

January 11, 2005 Housing Board.

Board Member Morgan stated that he has not had sufficient time to review the minutes. Ms. Edwards stated the minutes should have been mailed to the Board. It was noted that not all of the Board members had received the minutes in the mail. The minutes were also sent out via email.

Board Member Sutherland inquired about Board Member Morgan's comment that the Board discuss the Bellevue area as a possible signature project. Board Member Morgan stated he had suggested that but staff had advised that those properties were functionally obsolete (ie. that architectural and design standards have significantly changed since these properties were constructed). Ms. Edwards stated if the Board would like to have further discussion on this issue it could be placed on a future agenda.

Board Member Southworth made a motion to approve the minutes of the January 11, 2005, meeting as presented. Board Member Priniski seconded the motion and passed unanimously.

February 7, 2005 joint Human Services and Housing Board

Ms. Edwards passed out copies of the February 7, 2005 minutes for the Board to review.

Board Member Morgan made a motion to approve the minutes of the February 7, 2005, joint meeting as presented. Board Member Southworth seconded the motion and passed by a vote of six (6) to zero (0) with Board Member Williams abstaining.

Board Member Morgan inquired why the Board was not going to approve the minutes of the February 24, 2005 joint Human Service and Housing Board meeting. Ms. Register replied because the Housing Board did not have a quorum. Board Member Williams stated that she was not in attendance at that meeting, but in reviewing the minutes there should have been a quorum with the new Housing Board member. Ms. Edwards explained that Board Member Sutherland was not part of the funding process and did not hear the proposals as presented. Board Member Williams inquired who determined that. Ms. Edwards replied the Legal Department made the determination that in order to participate you would need to be involved in the funding process. If a Board member was appointed after the applications were heard that Board member could not participate in the deliberations. Board Member Williams stated that she would question that decision. Ms. Register stated the new member did not have the opportunity to speak to the applicants and come to his own considerations of the proposals.

APPROVING CDBG AND HOME FUNDING RECOMMENDATIONS

Ms. Edwards reported that on February 7, 2005 the Housing Board and Human Services Commission conducted a public hearing and heard testimony from applicants for CDBG and HOME funding for fiscal year 2005-2006. On February 24, 2005, the Housing Board and Human Services Commission reviewed and discussed the funding recommendations. She explained this agenda item allows the Housing Board and Human Services Commission to separately and formally vote on CDBG and HOME funding recommendations to be considered by the City Council on April 19, 2005.

Ms. Edwards passed out the funding spreadsheet for the Board's review. The Board members reviewed and discussed the funding recommendations.

Board Member Priniski explained for the Board Members who were not in attendance at the joint deliberation meeting that the Board worked with the Human Services Commission and started out with the award amounts as recommended by the Human Services staff. The Board and the Commission jointly worked together and moved the dollars back and forth to come up with the recommendations to be voted on by both citizen- based groups and submitted to the City Council.

Board Member Priniski discussed why certain requests were not funded. Chair Edwards inquired about the City of Scottsdale, Citizen & Neighborhood Resources Department request for \$150,000 because he thought the rehab program had carry over funds. Ms. Register explained that the program was funded last year and there is currently carry over funds so there will be approximately \$470,000 in carry over plus the request of \$150,000. It is expected that with the housing staff currently on board or to be hired, those funds will be expended at the end of the 05/06 fiscal year. Ms. Edwards stated one of the reasons the money will not be expended in FY04/05 is due to the vacant staff position that needs to be filled. Board Member Williams expressed her concern that the money is not being used. Ms. Edwards explained that it was felt the \$150,000 was necessary to undertake the needed rehabs and the money would all be expended by June 06. Ms. Register noted that it was explained that the \$200,000 difference in funds could either be used as another RFP or carry over into the 06/07 fiscal year. Board Member Williams requested the Board be part of the RFP process. Ms. Edwards stated she would place this on the next agenda and invite Mr. Bethel to provide information.

Board Member Southworth inquired if there was a major rehab where the money was just sitting there because of issues with the homeowner and the contractor. Ms. Edwards stated there was one incident but it has been resolved. She explained that with the Housing Rehab Program there are any number of things that can happen to delay or sidetrack an applicant's request – including misunderstanding of the program on the part of an applicant. Board Member Williams inquired if some applicants are experiencing mental disabilities and “dementia” are they competent enough to enter into a contract? Ms. Edwards stated that the City is not in the position to ask for medical history. Board Member Williams stated that if the person seems impaired staff should check into it because it could place the house at risk if there is a mortgage that someone is not competent to sign for. It is important to get a legal opinion. Chair Edwards stated he would be nervous with staff stepping into medical evaluation. Ms. Edwards noted our target audience is elderly and those with special needs and staff are not medical experts and cannot make a determination that could be considered to discriminate against certain individuals.

Chair Edwards inquired that with the requested \$150,000 and the approximately \$470,000 in carry over funds, how many houses can staff complete by June 30, 2006.. Ms. Register replied that with two full-time coordinators, noting there is one vacant position, they should be able to complete approximately 40 rehabs in the 12 month period July 1 to June 30 of 05/06 if the vacant position is filled in the next month. Board Member Williams expressed her concern that the City is not meeting the demand and we need to figure out a way to meet the demand. She stated she would look at the program design to broaden it a little. She further stated if we have the money and can't meet the demand something is wrong. She requested that the Housing Board and staff work together on this issue. Ms. Edwards stated she would place this issue on the next agenda. Board Member Morgan stated that he felt the Housing Board could go through this, identify the problem, and come up with a reasonable solution.

Ms. Edwards suggests the Board continue their review of the proposed funding for the HOME Funds.

Board Member Williams inquired if there were any restrictions put on CSA for the amount of funding they have requested for 2005/06.. Board Member Sutherland replied in the negative. Board Member Williams inquired if it was too late to come back with recommendations to put on them. Ms. Register replied if the Board were to make a recommendation then it would be up to the Human Services Commission on Thursday (March 10) to accept that recommendation or not. Board Member Morgan reported that there was a lot of discussion at the joint meeting and everyone did agree unanimously to accept what is proposed and forward to City Council. Board Member Williams stated that the City does not require them to leverage the money to get more units. She further stated they might want to consider requiring them to leverage the funds.

Board Member Morgan moved that the Housing Board accept the funding request as discussed at the joint meeting of the Human Service Commission and Housing Board on February 24, 2005 and as documented on the two-page funding spread sheet. Second by Board Member Southworth and passed unanimously.

Chair Edwards inquired if we were to insert language regarding leverage would we specify how much leverage. Ms. Register stated the motion does not include the stipulation and since this is not on the agenda perhaps it could be placed on future agenda for discussion.

REVIEW OF PROPOSED CHANGES TO CITY CODE 2-333

Ms. Edwards requested the Board discuss and finalize the draft of City Code 2-333. She stated that the Board needs to discuss their involvement in the CDBG and HOME funding allocation process in the future. She also provided the Board with a copy of the Human Services Commission proposed changes to their purpose, powers, and duties. She noted it is important to review both documents.

Board Member Williams stated that Section 8 is not addressed in this document. It was noted that the City Council has direct oversight of the Section 8 program. Board Member Williams commented that the administrative funds go to the department that manages the program. She further commented that when the Housing Board was moved to the Citizen and Neighborhood Resources (CNR) department from the Human Services division, the authority was left with the Human Services division. Ms. Edwards provided information on the decision to move the Housing Board to CNR. She noted a benefit of being in CNR is that it allows the Housing Board to have a broader vision.

Board Member Morgan commented that the Human Services Commission ordinance seems to have been drafted by an attorney. He inquired why the Hosuing Board's ordinance did not go through an attorney. Ms. Edwards replied that Donna Bronski, Deputy City Attorney, crafted both documents, but the Human Service Commission

document is further along in the process. The Housing Board document will be put in a legal format.

The Board discussed their involvement in the CDBG and HOME funding allocation process in the future. It was noted a debriefing is scheduled in April with the Board and the Human Services Commission to evaluate how the process worked. The Board discussed that fact that they bring their expertise for housing to the table. The Board also discussed the fact that if they were not involved in the funding process it would give them more power to help direct policy.

Board Member Morgan stated that he felt it was important to have the Housing Board's input. He further stated the applicants for CDBG and HOME funds deserve to have a good cross section of people.

Board Member Morgan stated that he went to the City website and read the ordinance for the Human Services Commission and the Housing Board and it appears that the Human Services Commission is trying to come up with more responsibilities. It was noted that the funding responsibility is not stated in either ordinance.

Board Member Morgan stated it is important to have the debriefing with the Human Services Commission regarding evaluating the process. He suggested the two Chairs get together with one or two Board or Commission members.

Ms. Edwards reminded the Board that at their retreat one of the biggest areas those present wanted to focus on was policy recommendations.

The consensus of the Board was to be involved in the funding recommendations that relate to housing. It was suggested the Board be involved in joint consultation with the Human Relations Commission. Board Member Williams stated the Board should have input prior to the RFP and be involved in the housing program design.

Board Member Morgan suggested defining each of the sections with regard to what they mean. Chair Edwards stated the intent was to have Sec. 2-333 as broad as possible. The Board suggested rewording the mission statement and putting the document into a legal format. The consensus of the Board was that the Section 8 program did not need to be included in this document.

Chair Edwards reminded the Board that this is on a fast track. The Human Services Commission document is going to City Council in April. Ms. Edwards reported that staff would work on rewording the mission statement and have the document put in a legal format for approval at the April Housing Board meeting. Chair Edwards requested staff email them the revised mission statement.

CHAIR'S REPORT

Chair Edwards provided information regarding the CDBG program being transferred to the Department of Commerce.

STAFF REPORT

Ms. Edwards introduced Mr. George Sutherland and Mr. George Leonard as the newly appointed Board members.

Board Member Sutherland and Board Member Leonard provided the Board with information on their background. They discussed their interest in serving on the Housing Board.

ADJOURNMENT

The regular meeting of the Scottsdale Housing Board was adjourned at approximately 7:50 p.m.

Respectfully Submitted,

"For the Record" Court Reporters